Adopted

Rejected

## **COMMITTEE REPORT**

YES: 11 NO: 0

## MR. SPEAKER:

Your Committee on <u>Public Policy, Ethics and Veterans Affairs</u>, to which was referred <u>House Bill 1156</u>, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:

1 Page 1, line 4, delete "means, with respect to a new motor" and 2 insert "means the following: 3 (1) With respect to a: 4 (A) proposed new motor vehicle dealer in a county having 5 a population of more than one hundred thousand 6 (100,000); or 7 (B) new motor vehicle dealer who plans to relocate the 8 dealer's place of business in a county having a population 9 of more than one hundred thousand (100,000); 10 the area within a radius of six (6) miles of the intended site of the proposed or relocated dealer. The six (6) mile distance 11 12 shall be determined by measuring the distance between the 13 nearest surveyed boundary of the existing new motor vehicle 14 dealer's principal place of business and the nearest surveyed 15 boundary line of the proposed or relocated new motor vehicle 16 dealer's place of business.

1 (2) With respect to a: 2 (A) proposed new motor vehicle dealer in a county having 3 a population that is not more than one hundred thousand 4 (100,000); or 5 (B) new motor vehicle dealer who plans to relocate the 6 dealer's place of business in a county having a population 7 that is not more than one hundred thousand (100,000); 8 the area within a radius of ten (10) miles of the intended site 9 of the proposed or relocated dealer, or the county line, 10 whichever is closer to the intended site. The ten (10) mile distance shall be determined by measuring the distance 11 12 between the nearest surveyed boundary line of the existing 13 new motor vehicle dealer's principal place of business and the 14 nearest surveyed boundary line of the proposed or relocated 15 new motor vehicle dealer's principal place of business.". 16 Page 1, delete lines 5 through 17, begin a new paragraph and insert: 17 "SECTION 2. IC 9-18-7-4 IS AMENDED TO READ AS 18 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 4. (a) An Indiana 19 resident who owns a vehicle required to be registered under this title 20 may, for the purpose of delivering or having delivered the vehicle to 21 the residence or place of business of the resident, apply for and obtain 22 a temporary permit that allows the person or the person's agent or 23 employee to operate the vehicle upon the highways without obtaining 24 a certificate of title or registration for the vehicle. The permit is valid 25 for not more than forty-eight (48) ninety-six (96) hours. 26 (b) A person must do the following to obtain a permit under this 27 section: 28 (1) Pay the required fee with the application. 29 (2) Provide proof of financial responsibility in the amounts 30 specified under IC 9-25 in the form required by the bureau.". 31 Page 3, line 1, delete "It is an unfair practice for a manufacturer or" 32 and insert "(a) This section does not apply to the relocation of a new 33 motor vehicle dealer to a location that is not more than two (2)

> (b) This section does not apply to the reopening or replacement in a relevant market area of a closed dealership that has been closed within the preceding year, if the established place of business of the reopened or replacement dealer is within two (2)

miles from its established place of business.

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miles of the established place of business of the closed dealership.

- (c) Before a franchisor enters into a franchise establishing or relocating a new motor vehicle dealer within a relevant market area where the same line make is represented, the franchisor shall give written notice to each new motor vehicle dealer of the same line make in the relevant market area of the franchisor's intention to establish an additional dealer or to relocate an existing dealer within that relevant market area.
  - (d) Not later than thirty (30) days after:

- (1) receiving the notice provided for in subsection (c); or
- (2) the end of any appeal procedure provided by the franchisor;

a new motor vehicle dealer may bring a declaratory judgment action in the circuit court for the county in which the new motor vehicle dealer is located to determine whether good cause exists for the establishing or relocating of a proposed new motor vehicle dealer. If an action is filed, the franchisor may not establish or relocate the proposed new motor vehicle dealer until the circuit court has rendered a decision on the matter. An action brought under this section shall be given precedence over all other civil matters on the court's docket.

- (e) In determining whether good cause exists for establishing or relocating an additional new motor vehicle dealer for the same line make, the court shall take into consideration the existing circumstances, including the following:
  - (1) Permanency of the investment.
  - (2) Effect on the retail new motor vehicle business and the consuming public in the relevant market area.
  - (3) Whether it is injurious or beneficial to the public welfare.
  - (4) Whether the new motor vehicle dealers of the same line make in that relevant market area are providing adequate competition and convenient consumer care for the motor vehicles of that line make in the market area, including the adequacy of motor vehicle sales and qualified service personnel.
- (5) Whether the establishment or relocation of the new motor
   vehicle dealer would promote competition.
- 38 (6) Growth or decline of the population and the number of

new motor vehicle registrations in the relevant market area.

(7) The effect on the relocating dealer of a denial of its relocation into the relevant market area."

Page 3, delete lines 2 through 14.

Renumber all SECTIONS consecutively.

(Reference is to HB 1156 as introduced.)

and when so amended that said bill do pass.

Representative Kuzman